

Lead Removal Operations Report

Weekly audit findings are prepared by the Independent Auditor and reported to Magellan Metals, Esperance Port Authority, Department of Conservation and Environment and Department of Mines and Petroleum.

In addition, the weekly report includes reviews by the Occupational Health and Safety personnel involved in the lead removal plan, dust monitoring, ventilation and operations.

Bagging of the lead carbonate was completed in late April, and 329 containers were exported from the Port aboard the MV Beluga Finesse on May 3.

The Independent Auditor will continue to prepare weekly reports while the old WMC shed is cleaned and dismantled.

Week Fifteen: May 11 to May 17, 2009

With bagging operations completed on May 3, cleaning of the lead shed has been ongoing since that time and is expected to take about another two weeks to complete.

Personnel have been dry vacuuming the shed to collect the majority of the material remaining in the old WMC shed, and more appropriate equipment, including an industrial vacuum, is being used to expedite the cleaning process.

Discussions have been held with contractors with the view of high pressure washing the shed once the dry vacuuming had removed all of the loose material.

Environmental, OH&S and security audits were carried out during the week.

All protocols that were in place for the bagging of the lead carbonate remain in place while the clean up is under way.

The material being collected during the cleaning operations is being bagged, containerised and will be removed from the Port to the mine site or an appropriate landfill facility once the project has been completed.

Magellan Metals began dismantling the bagging machine early in the week.

The old WMC shed had been used for stockpiling nickel concentrate, soda ash and lead carbonate over the past 40 years.

Monitoring

All dust monitoring results have been within the specified guidelines throughout the bagging and clean-up operations.